

Committee of our Legislature to indicate who received the tax cuts and who didn't. I think this might be illustrative as to as far as who did, in fact, benefit from the economic recovery plan. And I think it is particularly crucial for Nebraska as we look at our state revenue situation and the next two resolutions deal with that. It is interesting to note that Don Leuenberger's report with regards to revenue. There is a quote about how the economic recovery plan is going to affect Nebraska, that is, what sort of relief can we expect in Nebraska because of this higher federal spending and on page 2 of Don Leuenberger's report he indicates secondly to the extent that much of the upward stimulus to the national economy comes from military procurement contracts, there is likely to be little impact on Nebraska industries. The Department of Revenue Research Division's studies indicate that Nebraska ranks in the bottom ten states in terms of military contract commitments, thus the hope for a turnaround may be even less pronounced for Nebraska than it is for the nation. So if you look at the cumulative effect of that Economic Recovery Plan you'll see that there is less state revenue and there is less federal revenue. You'll see that there have been budget cuts to the State of Nebraska and that according to our own State Department of Revenue there is no hope for increased spending in Nebraska in the area of defense. The higher deficits at the federal level will produce no revenue to the State of Nebraska. We will continue to maintain high interest rates crippling many Nebraska industries including construction and agriculture. I'd move for adoption of resolution LR 229. I think that the action taken last year might have been a little precipitous, and as we indicated to Congress then our convictions, I think we should indicate now that those convictions may have changed.

SENATOR CLARK: Senator Burrows.

SENATOR BURROWS: Mr. Chairman, members of the body, I think Nebraska has long had a history of paying its bills in taking in taxes and covering the cost of state government. I think our nation could do the same and the totally irresponsible action of cutting the income when you're running in a deficit is inexcusable for the federal government to move in. They're...no one in a business is going to balance a budget by cutting the income, the basic source they have coming in while they cannot make the other cuts that will make it happen and balance the other way. The whole complicated theory of trickle down economics is the only justification of it and the historical record reads that in the 1930s when the trickle down theory was last tried, the people that got the biggest breaks were those with the highest income and the money went into savings to be sold out again or loaned out at high interest rates to the people, again crippling the general pub-